

PRESIDENT STICKS TO REFORM POLICY

No Deviation from Insistence on Corporate Honesty.

CAMPAIGN IDEA STUNS

Plan for Federal Aid for Candidates Considered Radical.

Wide Ground Covered in Message. Practical Stand for Tariff Revision Most Extreme Move Roosevelt Has Yet Made in This Connection. Wants Army and Navy Enlarged and Put on New Pay Basis.

That the President has not been moved by the recent financial flurry to desert his stand for honesty in the conduct of corporations engaging in interstate commerce was the most general comment upon his message, which was read yesterday in both houses of Congress. He launched at the very outset of the lengthy document into a discussion of the relations between his policy of prosecuting "malefactors of great wealth," both human and corporate, and the money stringency. The cause of the stringency he declares to have been the foolish fears of the people who withdrew their money, and by hoarding it brought about the very thing they hoped thus to get away from. His view on this point was heartily endorsed by a majority of those who discussed the matter.

The greatest surprise caused by any one part of the message was occasioned by his suggestion that the Federal Government finance the Presidential campaigns of the great political parties, and the gap that followed this pronouncement was quite as large as the President indicated in the message that he expected. It was "so sudden" that few persons cared to say much about it, save that it was about the most radical measure yet proposed by Mr. Roosevelt.

The comment was general that the President's views on the question of tariff reform, as expressed in the message, came nearer to advocating revision than he ever approached in any of his former public utterances.

Free Wood Lull Pleases.

The abolition of the tariff on wood pulp and other forest products as a measure for the preservation of the seriously threatened forests of the country, met with universal favor among those who are acquainted with the extent to which this danger exists. His recommendations concerning further legislation for the control of interstate business, and for the Federal incorporation of interstate railroads had been anticipated by former statements from the Chief Executive, and did not occasion much surprise.

The small space devoted to the needs of the District was a source of regret to a great many Washingtonians and others who are interested in the welfare of the Capital. The proposal for a national gallery of art in this city was generally received with approval, and approval was expressed in many quarters that restriction of child labor was among the President's desires for the District.

Federal supervision over trust companies in the District, such as is exercised over the banks, is already in force, and it was a source of surprise that the President recommends in his message legislation to put such supervision over the trust companies in effect here.

The message, in condensed form, is as follows:

"No nation has greater resources than ours, and I think it can be truthfully said that the citizens of no nation possess greater energy and industrial ability. In no nation are the fundamental business conditions sounder than in ours at this very moment; and it is foolish, when such is the case, for people to hoard money instead of keeping it in sound banks; for it is such hoarding that is the immediate occasion of money stringency. Moreover, as a rule, the business of our people is conducted with honesty and probity, and this applies alike to farms and factories, to railroads and banks, to all our legitimate commercial enterprises.

"In any large body of men, however, there are certain to be some who are dishonest, and if the conditions are such that these men prosper or commit their misdeeds with impunity, their example is a very evil thing for the community. Where these men are business men of great sagacity and of temperament both unscrupulous and reckless, and where the conditions are such that they act without supervision or control and at first without effective check from public opinion, they delude many innocent people into making investments or embarking in kinds of business that are really unsound. When the misdeeds of these successfully dishonest men are discovered, suffering comes not only upon them, but upon the innocent men whom they have misled. In the effort to punish the guilty it is both wise and proper to endeavor so far as possible to minimize the distress of those who have been misled by the guilty. Yet it is not possible to refrain because of such distress from striving to put an end to the misdeeds that are the ultimate causes of the suffering, and, as a means to this end, where possible to punish those responsible for them. There may be honest differences of opinion as to many governmental policies; but surely there can be no such differences as to the need of unflinching perseverance in the war against successful dishonesty.

Cause and Retribution.

"In my message to the Congress on December 5, 1905, I said:

"If the folly of man mars the general well being, then those who are innocent of the folly will have to pay part of the penalty incurred by those who are guilty of the folly. A pain brought on by the speculative folly of part of the business community would hurt the whole business community; but such curtailment of welfare, though it might be severe, would not be lasting.

The President quotes at length from his first message to the Fifty-ninth Congress, the tenor of the quotation being that the prosperity of the country depends mainly upon the high individual character of the average citizen, and that any condition which benefits the honest captain of industrial activity in any line also benefits those whom he directs and enables to produce more than they would produce without his guidance; and that legislation has no part in this condition, and no right to curtail the reward of the leader to make it commensurate with that of the work-

SUMMARY OF THE PRESIDENT'S MESSAGE.

FINANCE—"In no nation are the fundamental business conditions sounder than in ours at this very moment; and it is foolish, when such is the case, for people to hoard money instead of keeping it in sound banks; for it is such hoarding that is the immediate occasion of money stringency.

"We need a greater elasticity in our currency. * * * Provision should be made for an effective currency. The emergency issue should be made with an effective guaranty, upon conditions prescribed by the government, and under a heavy tax.

"Trust companies should be subject to the same supervision as banks. "No legislation can by any possibility guarantee the business community against the results of speculative folly any more than it can guarantee an individual against the results of his extravagance.

CORPORATIONS—"There may be honest differences of opinion as to many governmental policies, but surely there can be no such differences as to the need of unflinching perseverance in the war against successful dishonesty.

"Modern industrial conditions are such that combination is not only necessary, but inevitable. * * * It is as idle to desire to put an end to all corporations, to all big combinations of capital, as to desire to put an end to combinations of labor.

"Corporation and labor union alike have come to stay. "Most certainly there will be no relaxation by the government authorities in the effort to get at any great railroad wrecker—any man who by clever swindling devices robs investors, oppresses wage workers, and does injustice to the general public.

"To confer upon the national government the power which I ask would be a check upon overcapitalization and upon the clever gamblers who benefit by overcapitalization.

ANTITRUST LAW—"The antitrust law should be amended as to forbid only the kind of combination which does harm to the general public. * * * Provision should be made for complete publicity in all matters affecting the public and complete protection to the investing public and the shareholders in the matter of issuing corporate securities.

FEDERAL CONTROL—"Only the National Government can exercise the needed control (of interstate commerce). This does not mean that there should be any extension of Federal authority, for such authority already exists under the Constitution in amplest and most far-reaching form but it does mean that there should be an extension of Federal activity.

"The most vital need is in connection with the railroads. As to these, in my judgment, there should now be either a national incorporation act or law licensing railway companies to engage in interstate commerce upon certain conditions. * * * The railroads and all other great corporations will do well to recognize that this control must come.

RATE REGULATION—"While there must be a just and reasonable regulation of rates, we should be the first to protest against any arbitrary and unthinking movement to cut them down without the fullest and most careful consideration of all interests concerned and of the actual needs of the situation.

ARMY AND NAVY—"As a nation we have always been shortsighted in providing for the efficiency of the army in time of peace.

"In my judgment we should this year provide for four battle ships.

"Until our battle fleet is much larger than at present it should never be split into detachments so far apart that they could not, in event of emergency, be speedily united.

"Parrying never yet won a fight. It can only be won by hard hitting, and an aggressive sea-going navy alone can do this hard hitting of the offensive type.

TARIFF—"The principal of the present tariff law could not with wisdom be changed, but it is probably well that every dozen years or so the tariff laws should be closely scrutinized. The question should be approached from a purely business standpoint. * * * This means that the subject cannot with wisdom be dealt with in the year preceding a Presidential election.

INLAND WATERWAYS—"From the Great Lakes to the mouth of the Mississippi, there should be a deep waterway, with deep waterways leading from it to the east and west.

INCOME AND INHERITANCE TAX—"A graduated income tax of the proper type would be a desirable feature of Federal taxation. The inheritance tax, however, is both a far better method of taxation, and far more important for the purpose of having the fortunes of the country bear in proportion to their increase in size a corresponding increase and burden of taxation.

INJUNCTIONS—"Much of the attack on this use of the process of injunction is wholly without warrant; but I am constrained to express the belief that for some of it there is warrant.

"It would be most unfortunate for our social welfare if we should permit many honest and law-abiding citizens to feel that they have just cause for regarding our course with hostility.

EMPLOYERS' LIABILITY—"Congress should adopt legislation providing limited but definite compensation for accidents to all workmen within the scope of the Federal power. * * *

"When the employer starts in motion agencies which create risks for others, he should take all the ordinary and extraordinary risks involved. A suit for negligence is generally inadequate remedy for the person injured.

CHILD LABOR—"It is idle to hold that without good laws evils such as child labor, as the overworking of women, as the failure to protect employees from loss of life or limb can be effectively reached.

CAMPAIGN FUNDS—"The need for collecting large campaign funds would vanish if Congress provided an appropriation for the proper and legitimate expense of each of the great national parties."

YESTERDAY IN CONGRESS.

SENATE.

The reading of the President's message occupied two hours and fifteen minutes of the session of the Senate.

After the first fifteen minutes, which was devoted to reading the message, Senator Allison, of Iowa, who, with Senator Teller, of Colorado, had been appointed to the committee of the two Houses to notify the President that Congress was in session and ready to receive any communication which he might have to make, reported that the committee had been advised that the President would communicate in writing to the Congress.

Immediately thereafter Mr. Latta, assistant secretary to the President, appeared with the message.

At the conclusion of the reading, about 2:30 p. m., Mr. Cullum, of Illinois, announced the death of George W. Smith, a representative in the House from the State of Illinois, and moved the customary resolutions. The Vice President appointed Senator Henderson, of Indiana; Hopkins, of Illinois; and McCreary, of Kentucky, members of the joint committee on the part of the Senate to attend the funeral.

After a brief executive session, devoted to confining recess nominations, the Senate adjourned at 2:50 to-morrow.

After the Senate adjourned the Democratic Senators held a caucus and elected Charles A. Culberson, of Texas, chairman by a unanimous vote. Robert Owen, of Oklahoma, was chosen secretary, and J. B. McCreary, of Kentucky, vice chairman.

HOUSE.

A telegram from the presiding officers of the two Houses of the First Legislature of Oklahoma to Speaker Cannon, conveying a message of prosperity and progress to her sister States and congratulations to the National House, was read.

The President's message was read, referred to the Committee of the Whole House on the state of the Union, and ordered printed.

Speaker Cannon announced the Committee on Banking and Currency, practically the same as that of the last Congress. By unanimous consent, the Democrats were given an additional member, making seven in all. The new members are Theodore E. Burton, of Ohio, Republican, vice Slagle, of Missouri; W. T. Crawford, of North Carolina, vice G. S. Ligon, of South Carolina; and John G. Henry, of Pennsylvania, Democrat. The committee will meet to-day at the call of the chairman, Mr. Fowler.

Senator Johnston Sworn In.

Senator-elect Johnston, of Alabama, who was selected by the voters of that State to succeed the late Senator Edwin Winston Pettus, was yesterday presented to the Senate by Senator Culberson, of Texas, and sworn in.

Blackburn Is Confirmed.

The nomination of former Senator Joseph S. Blackburn, of Kentucky, to be one of the members of the Isthmian Canal Commission, was promptly confirmed.

Minority Caucuses To-night.

Whether or not the House minority will filibuster until the Ways and Means Committee reports a plan for revision of the tariff will again be thrashed out to-night at a caucus to be held at 8 o'clock.

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MORE PAY FOR CLERKS

Bill Affecting Federal Employees Introduced.

GIVES 20 PER CENT INCREASE

Heflin, of Alabama, Has "Jim Crow" Measure Which Provides Separate Cars for White and Colored—Says Measure Will Prove Popular with the Colored Population.

A bill providing for a 20 per cent. increase in the pay of all government employees, both in the classified service and out of it, was introduced yesterday by Representative Loudenslager, of New Jersey.

The bill is so framed as to provide for the increase during the year 1908, and because of its blanket provision that every employee of the government be benefited there seems to be some question if Congress will permit it to go to passage without some objection, such as was raised last year at the proposition to make a general increase of 10 per cent.

Whether there is some other motive behind the bill than to give the employees what they consider is their just dues is another question that was raised yesterday.

May Affect Another Bill.

On the opening day, Representative Brownlow, of Tennessee, introduced a bill providing for the pensioning of civil employees by creating a fund from money held back from their pay, a plan that has heretofore been before Congress, and which met with some objection because of the declaration that such a scheme would so cut the pay of the employees that they could not live properly, and with 3 per cent. extracted each month from their salaries. Mr. Loudenslager declares that his bill is brought forth because he believes the employees are underpaid.

He said that this would end any pension bill, and he did not know what effect his measure would have on such a proposition.

Has "Jim Crow" Bill.

Among the bills introduced yesterday affecting the District was a "Jim Crow" bill, so-called, turned in by Representative Heflin, of Alabama, who declares there is sentiment enough now in the House to put such a measure through if it can be done without a record vote.

The bill provides that the street car companies must provide separate cars for white and colored passengers, and a fine of \$100 for each offense of letting a negro ride in a car reserved for whites, or for permitting a white man to ride in a car reserved for colored persons.

"As a matter of fact," said Mr. Heflin, "discriminating his bill, 'there is no place in the country where there is less discrimination than in Washington. Colored persons will be just as anxious as whites to have the bill go to passage, so far as I can learn, and I will permit them to have space of their own.'

Sims Also Has Bill.

Another bill of interest to the District that was introduced by Representative Sims, minority member of the House Committee on District Affairs, providing for temporary overhead trolley street car tracks from the New Union Station to North Capitol and C streets. Senator Gallinger, of the Senate District Committee, is said to incline to the belief that the provisions should be made in a bill for permanent general use, and not such a bill to-day in the Senate. If so, the Sims bill, it is believed, will go by the board.

Mr. Heflin will to-morrow introduce the same bill presented last season to prevent work in the District on Sundays, so far as it applies to the construction of buildings or railroads, but he is not overanxious of its passage.

RECESS NOMINEES IN.

President Includes "Lottery" Selections and District Men.

In sending to the Senate several hundred nominations of persons to office which he had made during the recess, the President also included the following nominations to South Dakota offices, which have been held up because of strife between the two Senators from that State, and which were recently decided upon as the result of drawing straws and tossing coins in the executive offices:

Lemuel B. Laughlin and Myron Willis to be receivers of public moneys at Chamberlain and Rapid City, respectively.

Thomas G. Burns, John L. Burke, and Paul D. Krebs to be registers of land offices at Mitchell, Rapid City, and Aberdeen, respectively. Clark B. Alford to be surveyor general.

The nominations of Col. Charles H. Whipple, assistant paymaster general, to be paymaster general of the army; and of Harry B. Osler, jr., of New Jersey, to be secretary of legation at Paraguay and Uruguay, were also included.

Among the recess post-office appointments sent in were those of Edward M. Morgan, to be postmaster at New York, and Daniel A. Campbell, to be postmaster of Chicago.

The appointments include the following from the District of Columbia and Virginia:

DISTRICT OF COLUMBIA.

Examiner-in-chief, Patent Office—Levin H. Campbell.

Envoys extraordinary—Maurice Francis Egan, to Denmark.

Envoys to legations—Thomas Ewing Moore, to Lisbon, Portugal; William F. Sands, at Guatemala, Guatemala, and Henry Coleman May, at Panama.

Consul general—Thomas W. Peters, Munich, Bavaria; Oscar S. Crowder, St. Paul, Minn.; Henry A. Johnson, Liege, Belgium.

Board of charities—Myron Cohen and George M. Laidlaw.

Second lieutenant, Marine Corps—Edward P. Roeder.

Assistant surgeon—Reynold Hyde.

Associate justice, Court of Appeals of the District of Columbia—Joseph Van Orsdel, Wyoming.

Assistant surgeon, navy—Edward V. Vail and Julian T. Miller.

Second lieutenant, Marine Corps—Paul A. Capron and Lillian W. T. Walker.

Indian inspector—Z. Lewis Dalby.

Postmasters—Alexander W. Harrison, Lawrenceville, Ga.; Hugh C. Henderson, Greenville, and John C. Tucker, National Soldiers' Home.

BRYAN MEETS VARDAMAN.

Nebraska and Mississippi Governor in Senate Marble Room.

William J. Bryan visited the Senate Marble Room yesterday and talked with many of the Democratic Senators with regard to his plan for financial relief.

While he and Senator Tillman were discussing the bill, Gov. Vardaman, of Mississippi, came in, shook hands, and joined in the discussion.

Mr. Bryan, when asked his opinion of the President's plan for government campaign fund donations, said he had not read the message and therefore could not discuss it.

Mr. Bryan left yesterday afternoon at 4:45 for Pittsburgh, where to-night he will speak. He will then go on to Lincoln, and said that it will probably be several weeks before he is again in Washington.

Ocean Steamships.

New York, Dec. 3.—Arrived: Kron Prinzessin Ode, from Bremen.

Arrived: Kaiser Wilhelm II, Bremen.

MESSAGE CONTAINS NEW PROPOSITION

Continued from Page One.

Industrial conditions brought about by trade unionism is the recommendation that compulsory investigation of conflicts between capital and labor be provided for, with the inevitable conclusion that compulsory arbitration must be the ultimate intention. The telegraphers' strike of the past summer has driven the President to this course, and those who remember the difficulties brought about by that strike and the partial paralysis of many lines of business which it entailed will be inclined to favor this proposal.

The President dwelt at some length upon the needs of the army and navy. Referring to the Pacific cruise he said it was an educational movement for the officers and men of the navy, and expressed the hope that after the completion of the Panama Canal the fleet could make frequent trips to the western waters as the Pacific coast was as much American territory as the Atlantic.

Better pay for the soldiers and advancement by a process of elimination through which only competent officers would reach the top were the President's principal suggestions for the army.

MORE AUTHORITY IS ASKED

Commissioners Report on Washington Gas Companies.

Information at Hand May Be of Value if Price of Gas Is Investigated.

An important feature of the report made to Congress on the local gas situation by the Commissioners yesterday was the item touching on the effort of the Georgetown Gaslight Company and the Washington Gaslight Company to secure an increase in their capitalization.

The report states that while in the case of the Georgetown Gaslight Company the report of the auditor appointed by the court has been favorable to the increase in capitalization, the Commissioners believe their efforts have resulted in eliciting much information which will be of value to Congress, should the question of the price of gas become a subject of Congressional inquiry.

The Commissioners state they have used their power for the protection of the public interest as effectually as circumstances permit, but they feel their present authority is inadequate. On this subject the report says that "the gas companies, under authority of a provision in an act of Congress, which the Commissioners believe should be repealed, have instituted proceedings in the Equity Court looking to an increase of their capital stock, and the Commissioners, taking advantage of the permission of the Equity Court to intervene on behalf of the citizens of the District of Columbia, have, through their corporation counsel, done everything possible to prevent any action which would tend to interfere with the reduction in the price of gas, recommended by them to the last Congress, and which they desire to see made, to what extent ever will leave a reasonable profit to the corporation."

Again, under another law, they have instituted proceedings against the gaslight companies on account of deficient candlepower and impurities, but the provision in this act which the Commissioners believe should be repealed or considerably modified makes it difficult to sustain such a prosecution, for which reason the Inspector of gas and meters has not heretofore recommended it, believing that not until the present time since he went into the gas business would maintain cases within the exception of the proviso.

"It is believed that the question of the price of gas be as well determined by the Commissioners upon expert testimony as that of the character and quality of gas, and that the whole question of public or private lighting, whether by gas or electricity, should be dealt with by the Commissioners under enlarged powers. Similar authority to regulate the telephone company would be very desirable.

"The Commissioners believe that a regulated private municipal or public utility service is at present the best for the District of Columbia. They will submit a draft of legislation to the President with the powers they desire in the public interest with respect to this matter.

FINANCE COMMITTEE CHOSEN.

Cannon Names Men Who Will Frame Currency Measures.

Speaker Cannon yesterday appointed the House Committee on Banking and Currency, and as was predicted named Representative Burton, of Ohio, as a member. Mr. Burton takes the place of Mr. Shartel, of Missouri, who was not elected.

It is expected that Mr. Burton will have a strong influence upon the committee in shaping measures.

All of the Democratic members of the old committee were reappointed, with the exception of Mr. Legare, of South Carolina, who asked to be relieved. In his stead the Speaker appointed Representative Crawford, of North Carolina. By consent of the House, the Democrats were given an additional member, Representative McHenry, of Pennsylvania, being named.

Following is the membership of the committee: Fowler, of New Jersey; Prince, of Illinois; Calderhead, of Kansas; Powers, of Maine; McMoran, of Michigan; Weems, of Ohio; McCreary, of Pennsylvania; Waldo, of New York; Hayes, of California; Weeks, of Massachusetts; and Burton, of Ohio, Republican; and Lewis, of Georgia; Pupo, of Louisiana; Glass, of Virginia; O. M. James, of Kentucky; Crawford, of North Carolina, and McHenry, of Pennsylvania, Democrats.

Havemeyer's Condition Unchanged.

New York, Dec. 3.—Henry O. Havemeyer, who has been seriously ill of acute indigestion at his country place near Commack, L. I., as the result of overeating after his Thanksgiving dinner, had not improved to-day, although his condition was said to be no worse.

It was said that although Mr. Havemeyer's condition is not critical, he is not out of danger.

THE ANNUAL MEETING OF THE

Stockholders of the Washington Railway and Electric Company for the election of directors to serve for the ensuing year and the transaction of such other business as may properly come before the meeting will be held at the office of the company, Fourteenth and East Capitol streets, Washington, D. C., on SATURDAY, January 18, 1908, between the hours of 1 p. m. and 2 p. m.

The by-laws require that the books for the transfer of stock shall be closed thirty (30) days prior to the annual meeting. Books for the transfer of stock will, therefore, be closed from December 20, 1907, to January 18, 1908, both dates inclusive.

Holders of voting trust certificates must exchange them for stock certificates on or before December 15, 1907, in order to vote the same.

F. J. WHITEHEAD, Secretary.

THE PIKE ADDING MACHINE COMPANY wish to announce that they have removed from the Bond Bldg. to their new offices, Nos. 215-217-18, the Munsey Bldg., where a full line of electric and hand-operated machines are now on exhibition, del-7.

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CULBERSON TO LEAD

Senate Minority Chooses Him After Long Session.

BAILEY RAISES OLD QUESTION

Wants Caucus to Name Steering Committee, but Rule Laid Down by Gorman Prevails—Owen, of Oklahoma, Secretary, and McCreary Vice Chairman—No Ill-feeling.

Charles A. Culberson, of Texas, was made minority leader of the Senate yesterday afternoon by unanimous vote at a caucus of the Democratic Senators lasting for nearly two hours.

There was much debate, all on questions affecting the organization of the minority of the Senate, but the matter of legislation was not touched upon except incidentally. The caucus also elected Robert Owen, the new Senator from Oklahoma, secretary of the caucus, and J. B. McCreary, of Kentucky, vice chairman.

After a spirited debate, Senator Culberson was authorized to name a steering committee. There was much opposition to conferring this power upon the minority chairman. Senator Bailey, of Texas, has always contended that the minority should create the steering committee in a party caucus, and not confer the power upon one man.

When Senator Gorman was at the head of the minority, he contended that the chairman should name the steering committee, and his will prevailed over that of Mr. Bailey and the men who believed with the Texas Senator. It was finally decided that Senator Culberson should name the committee, as there was no disposition to vote a lack of confidence in him by depriving him of a power that has been exercised by his predecessors. Senator Bailey even took that view.